

State of New Mexico
LEGISLATIVE EDUCATION STUDY COMMITTEE

REPRESENTATIVES

Rick Miera, Chair
Roberto "Bobby" J. Gonzales
Jimmie C. Hall
Mimi Stewart
Thomas E. Swisstack
W. C. "Dub" Williams

State Capitol North, 325 Don Gaspar, Suite 200
Santa Fe, New Mexico 87501
PH: (505) 986-4591 FAX: (505) 986-4338
<http://legis.state.nm.us/lcs/lesc/lescdefault.asp>

SENATORS

Cynthia Nava, Vice Chair
Vernon D. Asbill
Mary Jane M. Garcia
Gay G. Kernan



ADVISORY

Ray Begaye
Nathan P. Cote
Nora Espinoza
Mary Helen Garcia
Thomas A. Garcia
Dianne Miller Hamilton
John A. Heaton
Rhonda S. King
Sheryl M. Williams Stapleton
Jim R. Trujillo
Teresa A. Zanetti

ADVISORY

Mark Boitano
Carlos R. Cisneros
Dianna J. Duran
Lynda M. Lovejoy
Mary Kay Papen
John Pinto
William E. Sharer

MINUTES
LESC MEETING
DECEMBER 12-14, 2007

D. Pauline Rindone, Ph.D., Director
Frances R. Maestas, Deputy Director

Representative Rick Miera, Chair, called the Legislative Education Study Committee (LESC) meeting to order on Wednesday, December 12, 2007 at 9:08 a.m., State Capitol, Room 307, Santa Fe, New Mexico.

The following LESC members were present:

Representatives Rick Miera, Chair, Jimmie C. Hall, Mimi Stewart, and Thomas E. Swisstack; and Senators Vernon D. Asbill, Mary Jane M. Garcia, and Gay G. Kernan.

The following LESC advisory members were present:

Representatives Ray Begaye, Nathan P. Cote, Nora Espinoza, Mary Helen Garcia, Thomas A. Garcia, John A. Heaton, Sheryl Williams Stapleton, Jim R. Trujillo, and Teresa A. Zanetti; and Senator Lynda M. Lovejoy.

<> Approval of Agenda

Upon a motion by Representative Stewart, seconded by Senator Garcia, the committee unanimously approved the agenda as presented.

PUBLIC SCHOOL SUPPORT RECOMMENDATIONS FOR FY 09

Chairman Miera introduced Dr. Veronica C. García, Secretary of Public Education, and Mr. Don Moya, Deputy Secretary, Finance and Operations, Public Education Department (PED), to provide the department's public school support request for FY 09.

After providing the committee with a packet entitled "Public School Support Request for FY 09," Secretary García explained that, in developing its FY 09 funding request for public schools, the department had considered the overall state revenue picture, Department of Finance and Administration (DFA) guidelines, the Governor's education reform initiatives, statewide student performance data and the achievement gap, and federal and state statutory requirements, including the *No Child Left Behind Act of 2001*.

Secretary Garcia noted that, although the number of students statewide has remained relatively stable for the last three years, rural areas continue to experience a decline, while urban areas,

such as Albuquerque and Rio Rancho, continue to see growth. As a result, she said, growth units remain relatively constant at 4,000 to 5,000 per year. Overall, she explained, final funded units increased by 13,109.160 between FY 06 and FY 07. Cautioning that the FY 08 data are still preliminary, she noted that the increase in units between FY 07 and FY 08 appears lower but will probably increase once the total has been adjusted for growth.

Mr. Moya then presented PED's public school support request for FY 09. Noting that the department is projecting a decrease in the credits, he highlighted the following additions to program cost:

- approximately \$10.5 million for enrollment growth;
- approximately \$3.8 million for fixed costs and \$20.4 million for insurance costs;
- approximately \$14.5 million to cover the cost of the 0.75 percent increase in the employer's contribution to the Educational Retirement Fund;
- \$8.0 million to increase the number of elementary physical education programs funded through the Public School Funding Formula; and
- \$464,800 for school district assessment and test development costs, including printing, scoring, and reporting.

Noting that PED had not included a compensation increase for public school employees in its request, Mr. Moya stated that a recommendation would be included in the executive budget in January. He added that the requested increase in program cost exclusive of compensation is 2.47 percent.

In reviewing PED's requests for categorical public school support, Mr. Moya noted that the total transportation request, exclusive of compensation, is approximately \$109.7 million. Indicating that most of the other categorical requests, including the appropriation to the Indian Education Fund, are flat, Mr. Moya pointed out two exceptions: the Instructional Material Fund appropriation of \$43.2 million, an increase of approximately \$6.0 million over the FY 08 appropriation; and the Incentives for School Improvement Fund appropriation of approximately \$1.6 million (no state funds had been requested or appropriated for FY 08).

Next, Secretary García outlined PED's related appropriation requests. In particular, she noted four requests for recurring General Fund revenue: \$2.0 million to fund parental training and involvement; \$1.0 million to help cover the operational costs of the regional education cooperatives (RECs); approximately \$5.8 million to continue and expand the school breakfast program; and \$3.5 million to fund after-school enrichment programs. She added that this last request includes \$750,000 to match a grant from The Atlantic Philanthropies for after-school programs for disadvantaged youth. Secretary García concluded by outlining two additional requests: a total of \$13.0 million for the School Improvement Framework (\$3.0 million recurring and \$10.0 million nonrecurring); and a total of \$4.0 million for high school redesign (\$2.0 million recurring and \$2.0 million nonrecurring).

Finally, Mr. Moya noted that PED is requesting a total of approximately \$13.4 million for data processing applications, including \$7.3 million for the data warehouse (STARS), and a total of \$24.0 million for capital outlay expenditures, including \$10.5 million for the Governor's laptop initiative and \$5.0 million for school-owned bus replacements.

Calling the committee's attention to an attachment to the PED presentation entitled "Making Schools Work: Foundations for Success," Secretary García stated that, due to the lack of time, she would be unable to discuss the state's efforts to improve schools but requested that committee members review the data as time permitted.

Committee Discussion:

In response to a committee member's question regarding PED's estimated increase in insurance costs for FY 09, Mr. Moya explained that the estimate was based on data received from the New Mexico Public School Insurance Authority (NMPSIA) and from Albuquerque Public Schools (APS). The committee member then asked if the new procedures put in place by APS as a result of an audit citing poor accounting practices with regard to insurance costs and fund balances would help lower the estimate. Mr. Moya responded that, although he hoped that would be the case, the property and risk numbers were not yet certain.

A committee member asked if the \$464,800 included in program cost for assessment and test development was needed because of the testing requirements in the *No Child Left Behind Act of 2001* (NCLB). Secretary García said that NCLB has resulted in additional costs for districts but that this particular request is to cover school district printing, scoring, and reporting costs and not test development costs, as implied by the descriptor in the table.

Noting that PED is requesting a \$6.0 million increase in the appropriation to the Instructional Material Fund, a committee member asked for the statewide total of school district instructional material cash balances. In response, Mr. Moya explained that the cash balances for school districts were being compiled and would be available by the end of the week but so far appeared to be low.

A committee member asked why PED is requesting additional dollars for the Incentives for School Improvement Fund when documents previously provided by the department indicate a balance in the fund of \$5.0 million. Secretary García said that the \$5.0 million consisted of several years' worth of funds that had not yet been distributed, adding that the department plans to distribute the entire amount prior to the end of school year 2007-2008.

A committee member asked if the \$4.0 million being requested for high school redesign included money to cover the additional costs school districts will incur as a result of the increased graduation requirements in math and science. Secretary García explained that the new requirements will not go into effect until school year 2009-2010 and that, therefore, funding for this purpose had not been included in the department's request for FY 09. She added that PED had surveyed districts in order to develop a cost estimate regarding the math and science requirements for future public school support requests but had received only 30 responses. Noting that LESC staff had sent out a similar survey to districts, Dr. Rindone said that it might be advantageous for LESC and PED to coordinate their efforts and review both surveys to see which districts responded and to solicit responses from the others.

Noting that PED had received an appropriation of \$1.5 million for FY 08 to develop the new 11th grade test, a committee member asked if the test was ready for implementation. Dr. Catherine Cross Maple, Deputy Secretary, Learning and Accountability, PED, said that the department would be addressing that issue in a presentation to the committee the following day. She noted that PED is working with a vendor to move the assessment plan forward now that there is a

framework in place and that PED will be asking the Legislature to reauthorize the \$1.5 million for expenditure in FY 09.

A committee member asked (1) if the regional education cooperatives (RECs) are eligible to receive any of the federal discretionary funds authorized by the *Individuals with Disabilities Education Improvement Act of 2004* (IDEA) and (2) if so, whether PED had sent any of the funds appropriated for school year 2007-2008 to the RECs. Mr. Moya said that the RECs are eligible to receive federal discretionary funds but that, due to changes made to IDEA when the act was reauthorized, before those funds may flow, PED is required to enter into intergovernmental agreements (IGAs) with the RECs. He also stated that, before an IGA between an REC and PED can be finalized, the REC will have to apply for and be granted fiscal agent status by the department. As a consequence, he said, no discretionary funds have yet been sent to any of the RECs. Agreeing that the process was taking longer than expected, Secretary García reminded the committee that, again due to the changes made to IDEA, the RECs will not be able to use the discretionary funds for operational expenditures as they have done in prior fiscal years. Because this change could have an adverse impact on some or all of the RECs, she said, PED is requesting \$1.0 million in recurring revenue for REC operational expenditures for FY 09.

In response to a committee member's question why PED is not recommending any funding for the Reading Materials Fund, which provides money to school districts to purchase scientifically based reading materials, Secretary García said that a portion of the \$10.0 million in nonrecurring revenue being requested for the School Improvement Framework could be used for the same purpose. She expressed her willingness to ask the Governor to include a recommendation for an appropriation to the Reading Materials Fund in the executive budget.

A committee member expressed concern that, although PED's request for the pre-kindergarten program is double the amount appropriated for FY 08, its request for K-3 Plus is flat. In response, Secretary García said that PED could amend the pre-kindergarten rule to allow districts to expend some of the pre-kindergarten dollars on K-3 Plus programs. Noting that in previous presentations the Secretary had indicated that a change to the pre-kindergarten statute would be required before pre-kindergarten funds could be expended on K-3 Plus, the committee member asked if a rule change would be sufficient. Secretary García answered in the affirmative, adding that there had been a change in philosophy at PED. On this point, Chairman Miera suggested that the LESC assist in a review of the current statute.

Citing the need to track student progress from one grade level to the next, a committee member asked if data on students in state-funded pre-kindergarten programs are included in the Student Teacher Accountability Reporting System (STARS). Secretary García said that pre-kindergarten students have been assigned a state-issued identification number so that, if they enter the public school system, they can be tracked. However, she said, at this time pre-kindergarten data are not in STARS.

Several committee members inquired about PED's efforts to encourage parental involvement in the education of their children. Secretary García noted that PED is requesting \$2.0 million in recurring funds to support this initiative, which includes use of the toolkit developed by PED to foster school, parent, and community involvement; the development of web-based resources; and parental training.

In response to a committee member's question regarding funding for remedial after-school programs, Secretary García said that the funding is included in PED's appropriation request for the School Improvement Framework.

Expressing concern that the \$2.5 million appropriation request for the Indian Education Fund is insufficient to address all of the needs of Native American students, a committee member asked if PED had considered requesting a larger appropriation. Secretary García said that the \$2.5 million was not the only source of funding used by the department to assist Native American students; she noted that every initiative undertaken by the department, including breakfast in schools, after school enrichment, and pre-kindergarten, serves a high percentage of Native American students.

A committee member asked if the Secretary anticipated any changes to the department's public school support request prior to the 2008 legislative session. Secretary García responded in the affirmative, explaining that the final public school support recommendations will be included in the executive budget, which, in accordance with statute, will be provided to the Legislature on or before January 5, 2008.

Representative Thomas A. Garcia requested that PED provide available data regarding parental training and involvement programs, including funding sources, types of activities, participants, and program evaluations.

Chairman Miera requested that PED provide a list of schools receiving awards from the Incentives for School Improvement Fund for school year 2007-2008, the amount of each award, and a sample award letter.

INSTRUCTIONAL SUPPORT PROVIDER SALARY COST ESTIMATES, SM 67

Dr. Kathleen Forrer, LESC staff, introduced Dr. Peter Winograd, Director, Office of Education Accountability (OEA), Department of Finance and Administration (DFA), to discuss the input received from representatives of various groups of professional support providers regarding the establishment of a career ladder system relevant to their needs. In addition, Ms. Maria Jaramillo, Program and Related Services Coordinator, Central Region Education Cooperative #5, and Ms. Ellen Reavis, Occupational Therapist, Autism Resource Services, Albuquerque Public Schools (APS), were present to answer committee questions.

To begin, Dr. Forrer noted that the presentation was in response to Senate Memorial 67 (SM 67), *Study Instructional Support Provider Salaries*, passed in 2007, which requested the LESC, DFA, and the Public Education Department (PED), with input from the various instructional support provider associations, to study the cost of providing a three-tiered salary structure for all instructional support providers and to report the results to the LESC and to the Legislative Finance Committee (LFC).

Dr. Forrer stated that current statute [Section 22-10A-17 NMSA 1978] directs PED to license instructional support providers and further provides that PED "may provide a professional licensure framework in which licensees can advance in their careers through the demonstration of increased competencies and the undertaking of increased duties."

During the 2007 legislative session, Dr. Forrer continued, PED staff estimated that the cost of instituting minimum salaries for professional instructional support providers would have been approximately \$4.6 million. However, the 2007 Legislature appropriated funds to provide not only an average 5.0 percent salary increase for all public school personnel but also an additional average 2.0 percent salary increase for professional support providers “whose annual salaries on a full-time basis are below sixty thousand dollars (\$60,000).” As a result, based on data provided by OEA and PED, LESC staff estimated that the cost of implementation, if no additional salary increase is provided for FY 09, would be approximately \$3.2 million. If a 2.0 percent salary increase is assumed, the estimated cost drops to approximately \$2.8 million.

Dr. Forrer said the cost estimates were done on a case-by-case basis for individuals in professional instructional support provider positions, whose salaries are paid wholly or in part from state funds. Individuals whose services are contracted and individuals employed by state-supported schools or state agencies, such as the Children, Youth and Families Department, were not included.

In October 2007, OEA staff met with LESC and PED staff, as well as representatives of several instructional support provider organizations, to discuss the report requested in SM 67. At that meeting, Dr. Forrer stated, the instructional support providers indicated that APS has implemented a career ladder with accompanying salary minimums as part of the district’s contract with its professional instructional support providers and that, as a result, the need for legislation is no longer critical. Nevertheless, Dr. Forrer said, the committee may wish to consider endorsing legislation to require PED to establish a uniform progressive licensing framework and system of evaluation for professional instructional support providers statewide to ensure that all professional instructional support providers have the same opportunities for career advancement.

Noting that OEA, LESC, and PED staff had met with representatives of the various instructional support provider groups in preparation for this presentation, Dr. Winograd asked Ms. Jaramillo to provide a summary of the results.

Directing the committee’s attention to a handout from the New Mexico Educational Licensure Coalition, Ms. Jaramillo explained that the coalition will not be pursuing legislation during the 2008 session to implement a three-tiered licensure system for instructional support providers because the goal of that legislation – to ensure that professional standards and highly qualified personnel are maintained in the schools – has for the most part been achieved. She noted that the majority of instructional support providers are required to renew their professional licenses each year through the New Mexico Regulation and Licensing Department, thus ensuring that high standards are maintained, and that in the majority of school districts in New Mexico, most instructional support provider positions are sufficiently compensated and supported. However, she said, school nurses and school counselors have indicated that they may be taking action on their own for two reasons. First, they are not included in the calculation of related-service provider (ancillary) units in the current Public School Funding Formula. Second, because many school nurses and counselors are not on a three-tiered licensure system, they do not consider themselves adequately compensated. Ms. Jaramillo also requested that, in considering the proposed legislation to implement a new public school funding formula, the LESC also consider the new formula’s potential impact on instructional support providers.

Chairman Miera invited Ms. Betty Whiton, Government Chair of the New Mexico School Counselors Association (NMSCA), to address the committee on the organization's behalf. Providing the committee with a handout outlining the NMSCA's position, she stated that most large school districts in the state have taken it upon themselves to establish a career ladder for nurses, counselors, and social workers that is equivalent to the three-tiered system for teachers. However, she continued, small school districts lack the resources to do the same. Referring specifically to counselors, Ms. Whiton said that, according to research, comprehensive counseling programs in the schools raise test scores, reduce dropout rates, increase graduation rates, increase the number of students going to postsecondary institutions or professional training, and decrease violence in the schools. Stressing the need for appropriate professional incentives, Ms. Whiton asked that school counselors be given the same pay and respect as teachers.

Committee Discussion:

In response to a committee member's question if there has been an exodus of school counselors going into the teaching field because of the three-tiered teacher licensure system and if there is a shortage of school counselors as a result. Ms. Whiton said that many counselors were teachers before they went into counseling; therefore, in those districts in which counselors are making less money than teachers with equivalent education and experience, many counselors are returning to teaching, thus potentially creating a shortage of school counselors.

A committee member expressed concern that, in some school districts, particularly those with high minority populations, school counselors may not adequately be monitoring students' progress toward graduation. Ms. Whiton suggested that one problem might be a high student-counselor ratio; counselors, she said, are often overwhelmed. She also suggested that counselors be trained in a new computer system that allows both the student and the counselor to monitor the student's credits.

Several committee members expressed concern about the high turnover rate for school nurses, particularly because of the lower salaries that nurses earn in school settings as opposed to hospitals. One committee member noted that the problem is particularly acute in rural parts of the state. In response, a committee member noted that the proposed public school funding formula includes sufficient resources in the base model to allow all school districts to hire and to more appropriately compensate both school nurses and school counselors, as well as other necessary instructional support providers.

DIRECTOR'S REPORT

a. Approval of LESC Minutes for October 2007

Upon a motion by Representative Hall, seconded by Senator Garcia, the LESC Minutes for October 2007 were unanimously approved.

b. Approval of LESC Financial Report for October 2007

Upon a motion by Senator Garcia, seconded by Representative Hall, the LESC Financial Report for October 2007 was unanimously approved.

c. Correspondence

Dr. Rindone reviewed several items of correspondence included in the committee members' notebooks, adding that these items are also included in the LESC permanent files.

d. Written Reports

Dr. Rindone called the committee members' attention to several written reports included in their notebooks: *Study Local School Board Hiring Policies, HM 51*; *Study School Funding for Employee Legal Costs, HM 77a*; *School Administrator Licensure Pathways, SJM 15*; and *HED Articulation & Transfer of Credits: Annual Report*.

HIGHER EDUCATION ISSUES

a. Higher Education Department ID/Teacher Education Accountability Reporting System

Ms. Frances Maestas and Ms. Pamela Herman, LESC staff, collaborated on this presentation, with Ms. Maestas presenting on the Higher Education Department (HED) student ID and Ms. Herman presenting on the Teacher Education Accountability Reporting System (TEARS). Ms. Maestas introduced Dr. Reed Dasenbrock, Cabinet Secretary, HED; Dr. William V. Flores, Deputy Secretary, Academic Affairs, Planning and Research, HED; and members of the Data Sharing Task Force who were present to respond to questions.

Ms. Maestas began the presentation by saying that this report addresses the activities of the Public Education Department (PED) and HED in establishing a common student ID number and in implementing the uniform statewide TEARS. She said that since 2003 the Legislature, through recommendations from the LESC, has implemented several initiatives that will provide New Mexico with a single, unified data system that can exchange information within and across pre-kindergarten through postsecondary education and allow the state to continue monitoring achievement as students move from place to place through the education pipeline.

In 2005, Ms. Maestas said, the Legislature initiated the creation of a comprehensive data warehouse at PED to begin to collect and store student, teacher, course, testing, and financial data into one comprehensive system. She said legislative appropriations for this initiative include approximately \$11.1 million to PED since 2005 to design and develop the Student Teacher Accountability Reporting System (STARS) in the department. According to PED testimony to the LESC in the 2006 and 2007 interims, Ms. Maestas reported, PED has completed Phase I (design and development) and Phase II (enhanced district reporting and support) of the data warehouse project, or STARS.

Legislation was enacted in 2007, Ms. Maestas continued, to require HED to use the PED student ID number for students enrolled in higher education in order to facilitate longitudinal research regarding factors that influence the success of students in the P-20 system in New Mexico. Ms. Maestas described the implementation of a common student ID number and reviewed with the committee that, in 2006, the Legislature passed House Memorial 42, which requested that HED, representatives of institutions of higher education, PED, representatives of public schools, and other state agencies, establish a common, shared student data system from pre-kindergarten to postsecondary levels of education, including adult basic education and training. However, she

said, in the 2006 interim, the LESC requested the task force to narrow its focus to higher education, particularly in terms of establishing a shared student data system for K-12 and postsecondary institutions, including a higher education identifier, before incorporating the other state agencies as requested by the memorial.

In response to the committee's request, Ms. Maestas said, in 2007, HED convened the Data Sharing Task Force to begin examining how the implementation of a common P-20 student ID would be accomplished. In its report, *A Plan for New Mexico's P-20 Education Data System*, the task force delineates its 2007 interim work, including its recommendations for establishing a common P-20 student ID.

Ms. Maestas further explained that the interim work of the task force focused on examining the capacity, capability, and limitations or barriers of the data systems at PED and HED, including the reporting systems at the state's public postsecondary institutions. She said the result is a two-part phase-in approach, with the objective of developing a project plan that is the least disruptive to the existing systems.

In Phase I, Ms. Maestas said, rather than proposing to maintain and support two or more separate unique student ID-issuing systems, the task force recommends that the Unique Student ID System in the STARS at PED be extended into higher education to identify public school students with an existing STARS-issued ID and to assign a unique ID for students who enter a public postsecondary institution from outside the public school system or outside New Mexico. This Phase I initiative, said Ms. Maestas, would allow the STARS-issued identifier to be stored at each institution's student information system and be used for all longitudinal data needs.

Regarding the costs, Ms. Maestas reported the task force report's estimate of nearly \$2.0 million, to implement Phase I of the project. Among the specific expenses are including modifications to STARS and to the existing student information systems at the state's public postsecondary institutions; the purchase of additional software licenses; training by PED personnel for postsecondary staff involved in the admission and registration of students at public postsecondary institutions; and licensing and hosting costs. The task force report indicates a July 1, 2008 start date for the ID assignment.

Continuing to Phase II, Ms. Maestas reported that the task force recommends expanding STARS to include higher education data with a start date of February 1, 2009. In Phase II, which would implement the New Mexico P-20 data warehouse, Ms. Maestas said that postsecondary institutions would submit data to STARS in much the same manner as they currently submit data to HED. Ms. Maestas added that the task force recommends approximately \$2.0 million to fund this phase of the project. She said that, like Phase I, the timeline for Phase II includes a number of activities in FY 08. As a result, any appropriation for each phase of the project would need to consider the expenditure of available dollars in FY 08 as well as in FY 09.

At an estimated annual cost of \$2.3 million, Ms. Maestas stated, the task force explains that an additional project phase (Phase III) could include enhancements, such as online common application for admission to college and electronic transcribing between P-12 and public postsecondary institutions; however, she said, the tasks and timelines for this phase are not delineated in the report of the task force.

To address the challenges of implementing a common P-20 student ID, Ms. Maestas indicated that, in its review of the existing data systems at each department and institution, the task force determined that STARS at PED:

- has the necessary capability for storing data from a multiple data system;
- contains the capacity to process a large number of records in a relatively short amount of time while putting the data through a rigorous set of data quality checks;
- easily generates pre-defined student, staff, and financial reports;
- allows authorized users to create their own reports for district and school use; and
- maintains a commercial off-the-shelf unique student ID system that has the capability not only to generate and maintain a unique student ID for each of New Mexico's approximately 330,000 public school students statewide, but also to track students longitudinally throughout the course of their educational career.

Ms. Maestas said the task force also identified limitations with HED and public postsecondary systems for implementing a common P-20 student ID and for interfacing data, among them:

- the Data Editing and Reporting (DEAR) System at HED is a small repository for postsecondary data submission, including the collection of the Social Security number as a higher education student identifier. The system does not currently have the capability for issuing a unique student ID;
- twenty-one of the state's 27 public postsecondary institutions have a system (Banner) that has the ability to generate and assign a unique student identifier; however, the IDs are not portable or maintainable across all institutions, and the system cannot manage and maintain IDs; instead, users must search every field in the system manually to determine if an ID has been previously issued;
- three of the state's public postsecondary institutions do not use the same system being utilized by the other 21 institutions; however, information was not provided on whether these institutions are using another system and whether the systems are compatible with STARS; and
- to expand the institutions' systems to include the capabilities required for pre-kindergarten to 12th grade would be a significant effort, as it appears that the scope of data tracked by STARS at PED is substantially larger than the data tracked by HED.

Among other issues, Ms. Maestas stated, the task force report indicates that public postsecondary institutions are already admitting students for the fall 2008 session without a process currently in place for their systems to collect the STARS-issued student ID. Further complicating the situation, another institution may be issuing a different student ID number for the same college student.

Regarding TEARS, Ms. Herman reported that legislation was enacted in 2007 to require PED to collaborate with public teacher preparation programs and HED to create a uniform statewide TEARS to measure and track teacher education candidates from pre-entry to post-graduation. Among its provisions, Ms. Herman stated, the legislation requires annual reports from each institution and PED to the Legislature, the Governor, other policymakers, and business and economic leaders by November 1 of each year.

Ms. Herman explained that, during the 2007 interim, the secretaries of PED and HED convened a work group, including the representatives required in statute, to implement the reporting system. She noted that the deans and directors of teacher education programs worked with PED and HED staff to define the report format and to agree upon how the measures listed in statute would be reported. However, Ms. Herman reported, until the student ID system is implemented, the deans and directors group, assisted by LESC and HED staff, will continue to refine the necessary data elements to incorporate into the system. She said that the deans would have preliminary data to share with the LESC by November 2008 and thereafter. She indicated that once the system is completed, the reports are expected to be available for testing during school year 2010-2011, with the first students teaching in a public school four years later, in school year 2014-2015. At that time, Ms. Herman emphasized, TEARS is expected to enhance public school accountability by tracking public school student data from elementary and secondary school through higher education and, in the case of new teachers trained in New Mexico, back into the teachers' classrooms.

Committee Discussion:

Noting that the proposed cost for the P-20 Education Data System for Phase I, year one is \$1.9 million and that for Phase II, year two, the cost is \$2.0 million, a committee member asked why the PED public school support request under the Data Warehouse at PED, Phase III is for \$7.3 million. In response, Mr. Robert Piro, CIO, Assistant Secretary, Information Technology Division, explained that the \$7.3 million request is for the long-range plan for STARS.

In response to a committee member's question whether he believes that only one educational data warehouse is needed, Dr. Dasenbrock said that he endorses the recommendation of the task force. He noted that the July 1, 2008 project start date will allow HED and the postsecondary institutions to move with deliberate speed but still allow time to smooth out the complexities with the implementation of Banner. Dr. Dasenbrock added that he could not think of anything more important for the Legislature to do this year than to fund dual credit, with PED and HED working together on its implementation.

A lengthy discussion ensued on the subject of one data warehouse with various opinions as to the role and responsibility of the various institutions and how best for this P-20 education data system to work.

b. Teacher Mentorship Program

Ms. Eilani Gerstner, LESC staff, acknowledged Dr. Mary Rose CdeBaca, Assistant Secretary, Educator Quality Division, PED; Dr. Larry Martinez, Bureau Chief, Professional Development Bureau, PED; Dr. William Flores, Deputy Secretary, HED; and Dr. Jerry Harmon, Dean, College of Education and Technology, Eastern New Mexico University (ENMU), who were present to answer questions. Ms. Gerstner also introduced Ms. Kathy Shae Brown, a teacher endorsed in mathematics and language arts who would provide input to the committee on her mentoring experience as a beginning teacher.

Ms. Gerstner said that this report addresses beginning teacher mentorship in New Mexico, mentorship programs in other states, and a report from the Mentorship Task Force convened to develop a model as required in the 2007 amendments to the mentorship law.

Beginning with a brief overview of the teacher mentorship law in New Mexico, Ms. Gerstner said that in 2001 LESC-endorsed legislation was enacted to establish a beginning teacher mentorship program in law for all new teachers in order “to provide an effective transition into the teaching field; ensure success in teaching; improve student achievement; and retain capable teachers in the classroom.” She said that the law required the former State Department of Education (SDE) to work with school employees, representatives from teacher preparation programs, and the former Commission on Higher Education to develop a framework for a beginning teacher mentorship program.

Ms. Gerstner reported that the mentorship law has been amended several times since 2001. In 2007, she said, the law was changed to require that mentorship funds be distributed to school districts according to the number of beginning teachers on the 40th day of the current school year, and to require PED to collaborate with teacher preparation programs, colleges of arts and sciences, and high schools to develop a model for mentorship to provide “structured supervision and feedback” to all graduates of New Mexico teacher preparation programs who obtain teaching positions in New Mexico public schools. The law also requires, Ms. Gerstner said, that the recommendations and a cost analysis for the model be provided to the LESC.

In describing the rules that SDE promulgated in 2002 in response to the 2001 mentorship law, Ms. Gerstner said that PED reports that a framework was not developed but that the rules address the aspects of the framework that are outlined in law. However, Ms. Gerstner said, PED has not updated the rules to include changes that have been made to the mentorship law since 2001. Ms. Gerstner also reported that, according to PED, SDE required districts to submit mentorship plans for review and approval in 2002; however, districts have not submitted updated district mentorship plans to PED since that time.

To obtain a sense of how school districts have implemented their mentorship plans, Ms. Gerstner said, LESC staff requested from PED copies of the descriptions of the mentorship plans filed with the department in 2002 and selected 10 of those descriptions for review. Ms. Gerstner reported that the selected plans varied widely in length and detail of documentation, including annual evaluations of districts’ mentorship programs, which may not be conducted regularly. However, she said, PED does not appear to have records of any evaluations of mentorship programs conducted by districts or the department.

Regarding funding, Ms. Gerstner reported that since 2000 the Legislature has appropriated approximately \$8.1 million for beginning teacher mentorship. Since 2001, PED has provided allocations to districts that have ranged from a low of \$365 to a high of \$490.50 per beginning teacher. In 2007, she said, the LESC recommended \$3.0 million, and ultimately \$2.0 million was appropriated for mentorship for FY 08. She also said that prior to FY 08, PED allocated mentorship funds to districts based on the number of beginning teachers on the 120th day of the previous school year and distributed the funds on a reimbursement basis; however, she said, PED had not yet allocated funds to districts based on the 40th day data for school year 2007-2008.

Ms. Gerstner reported a discrepancy of over 800 teachers in the total numbers of beginning teachers in the state in previous years according to two separate sources of data from PED. She added that, until the state has an accurate system of collecting and evaluating the number of teachers participating in mentorship, a statewide evaluation of beginning teacher mentorship will not be possible.

Ms. Gerstner also reported that in June 2007 PED and HED formed the Mentorship Task Force as required by law to address the 2007 mandate to create a mentorship model. Membership of the task force complied with law, she said, except for limited representation by deans of colleges of arts and sciences. Ms. Gerstner said that participants are “drawing nearer to a proposed model” and have agreed that the Mentorship Task Force needs to:

- study school districts’ current mentoring efforts, partly through a survey;
- engage “critical parties” (i.e., public schools, postsecondary institutions, regional education cooperatives, and first-year teachers) in discussions led by PED and HED;
- propose a model (developed by the Mentoring Task Force) utilizing the features previously agreed upon and listed above; and
- prepare a cost analysis of this model.

Ms. Gerstner also said that, in consultation with LESC staff, representatives from HED, PED, and the Mentorship Task Force agreed that the mentorship model and cost analysis will be presented to the LESC in 2008.

Ms. Gerstner concluded with the following policy options that the committee may wish to consider:

- Send a letter to the Secretary of Public Education requesting (1) that PED update its mentorship rule to reflect recent changes in law; (2) that PED review its responsibilities for oversight of mentoring programs, whether in law or rule, and focus departmental efforts on fulfilling those responsibilities and ensuring that school districts and charter schools fulfill their responsibilities; and (3) that PED ensure that STARS contain current, accurate data on the number and location of beginning teachers.
- Send a letter to the Chair of the Mentorship Task Force requesting (1) that the task force review its membership to ensure alignment with the requirements of law, particularly in terms of representation of colleges of arts and sciences; (2) that the task force proceed with its planned activities toward creating a model mentorship program, including a review of successful programs or program components in other states that might be adapted for use in New Mexico; and (3) that the Mentorship Task Force distribute its final recommendations to all school districts and postsecondary institutions and seek feedback from all parties to gain consensus.
- Endorse a memorial asking the Office of Education Accountability to study the effect that mentorship programs have on teacher retention in New Mexico during the first five years of service. Initially, this study could compare data for teachers who received no formal mentorship (those who entered the professional prior to 2002) with teachers who received mentorship under the statutory provisions prior to 2007. Eventually, this study could examine the effect of the model mentorship program being developed pursuant to the 2007 amendments to the mentorship law.

Ms. Brown reported that her mentor rarely attended their weekly meetings and asked her to document mentoring meetings and discussions that had not taken place. Ms. Brown also described the mentoring experiences of several other beginning teachers.

There being no committee discussion, Senator Garcia, with the consensus of the committee, recessed the meeting at 4:25 p.m.

**MINUTES
LESC MEETING
THURSDAY, DECEMBER 13, 2007**

Representative Rick Miera, Chair, called the Legislative Education Study Committee (LESC) meeting to order on Thursday, December 13, 2007, at 9:11 a.m., State Capitol, Room 307, Santa Fe, New Mexico.

The following LESC members were present:

Representatives Rick Miera, Chair, Jimmie C. Hall, Mimi Stewart, and Thomas E. Swisstack; and Senators Vernon D. Asbill, Mary Jane M. Garcia, and Gay G. Kernan.

The following LESC advisory members were present:

Representatives Ray Begaye, Nathan P. Cote, Nora Espinoza, Mary Helen Garcia, Thomas A. Garcia, John A. Heaton, Sheryl Williams Stapleton, Jim R. Trujillo, and Teresa A. Zanetti; and Senator Mary Kay Papen.

NEW MEXICO PREK EXTERNAL COST STUDY

Dr. Kathleen Forrer, LESC staff, introduced Dr. Linda D. Goetze, Economist, Early Intervention Research Institute (EIRI), Utah State University, to present *The Economics of Investing in New Mexico's State Funded PreK Program*, a cost-benefit analysis of New Mexico's voluntary pre-kindergarten program. Dr. Forrer also noted that Dr. Peter Winograd, Director of the Office of Education Accountability (OEA) at the Department of Finance and Administration (DFA); and Mr. Daniel Harris, Bureau Chief, Early Care, Children, Youth and Families Department (CYFD), were available to answer questions.

To begin, Dr. Forrer stated that the Legislature has appropriated a total of \$28.4 million in General Fund revenue to implement New Mexico PreK in FY 06, FY 07, and FY 08, with funds divided equally between CYFD and the Public Education Department (PED): \$4.05 million for FY 06, \$9.5 million for FY 07, and \$14.0 million for FY 08. In its *Public School Support Request for FY 09*, Dr. Forrer said, PED has included a total request of \$41,189,600 for New Mexico PreK, including almost \$6.6 million for pre-kindergarten start-up (nonrecurring) and \$5.0 million for classroom costs (capital outlay).

Dr. Forrer noted that, in fall 2005, the state selected the National Institute for Early Education Research (NIEER) at Rutgers University to conduct an external, statewide evaluation of New Mexico PreK. She said that, in order to assess all aspects of the program, NIEER partnered with EIRI, which was tasked with conducting an economic impact analysis of New Mexico PreK and with overseeing the collection of classroom observation and child outcome data. Dr. Forrer cited two previous studies completed by NIEER. The first study, "Child and Classroom Findings from the First Year of the New Mexico PreK Initiative," was presented to the LESC in

December 2006. Because of the newness of the program, this first report was only a snapshot of how children were performing in the spring of 2006, while the second study, presented in August 2007, was a program evaluation. However, Dr. Forrer said, neither report answered a key question asked by the committee: Are there any significant differences between programs approved by PED and programs approved by CYFD? As an aside, Dr. Forrer informed the committee that, prior to the meeting, OEA had provided LESC staff with some disaggregated data but that staff had had insufficient time to review the information.

The EIRI report, Dr. Forrer said, is a type of study known as a cost-benefit analysis, which is a tool used to make decisions about social programs. Dr. Forrer noted that some cost-benefit studies indicate whether an existing program provides benefits that are cost-effective in that the children in the program and/or society as a whole receive benefits, the cost of which is equal to or greater than the cost of producing the benefits. Other studies, such as the EIRI study, predict what the cost-benefit ratio of a new or proposed program might be given certain assumptions.

In conclusion, Dr. Forrer suggested that to expedite future analyses, the committee might wish to require that the relevant data associated with all New Mexico PreK programs be moved into the Student Teacher Accountability Reporting System (STARS) so that they are more readily accessible.

To begin her review of the EIRI study, Dr. Goetze explained that the purpose of the study was to “estimate the net present value benefits generated” from investing in pre-kindergarten services for four-year-old children in New Mexico, adding that the research question that she and her staff sought to answer was: “What is the expected economic impact to New Mexico of implementing the state-wide PreK program with access for all four-year-olds?”

Dr. Goetze identified the following assumptions for the study, which had been provided to her by PED, CYFD, the Governor’s Office, and DFA:

- all four-year-olds will have access to the program;
- the program is based on comprehensive early learning standards;
- the program provides 540 total hours of service, 450 of which are direct instruction;
- the maximum class size is 20;
- the staff-to-child ratio is 1:10;
- the lead teacher has a bachelor’s degree and the associate teacher has a Child Development Associate (CDA) credential, or the equivalent;
- all teachers receive at least 15 hours a year of in-service;
- vision, hearing, health, and developmental support services are provided to participants;
- at least one meal a session is provided to participants;
- programs are monitored by means of site visits; and
- the only funding used to support the program comes from the state.

In addition, Dr. Goetze said, the researchers also:

- assumed that 70 percent of the approximately 21,000 four-year-old children statewide would participate in the program;

- estimated the benefits attributed to participation in New Mexico's state-funded pre-kindergarten program from the findings in the Chicago Child-Parent Center Program study, as adjusted for state-specific salary and demographic data; and
- assumed that all standards recommended by NIEER as determinants of a quality pre-kindergarten program, including those for teachers and staff, will be met when New Mexico PreK is fully implemented. On this point, Dr. Goetze noted that New Mexico has met five of the 10 recommended standards for pre-kindergarten programs and is working toward achieving all of them.

In determining the benefit-cost ratio for New Mexico PreK, Dr. Goetze explained, the researchers first estimated individual dollar amounts attributable to each of the following benefits: education outcomes, child welfare outcomes, juvenile crime outcomes, the value of child-care, college attendance, adult crime outcome, labor market earnings, and health care. The total of the individual estimates is \$14,811 per child. Based on that total, Dr. Goetze continued, the estimated benefit-cost ratio for New Mexico PreK is five dollars returned to society for every dollar spent on state-funded pre-kindergarten. Children, especially high-risk children, Dr. Goetze noted, reap the most benefits (a 52 percent increase in projected lifetime net earnings). On this point, Dr. Forrer added that the study also projects that full implementation of the program will result in an increase in the cost of K-12 and postsecondary education because more children are likely to remain in the system. Noting that this additional cost reflects a positive education outcome, Dr. Forrer explained that, nevertheless, the estimated return on investment is thereby reduced to four dollars to society for every dollar spent. Finally, with regard to New Mexico state and local governments, Dr. Goetze reported that 94 cents are returned for every dollar spent, a nearly 100 percent return on the pre-kindergarten investment.

Committee Discussion:

In response to a committee member's question if any program or cost-benefit studies were being conducted on K-3 Plus, Dr. Winograd said that OEA would be willing to oversee such studies but cautioned that studies similar to those conducted by NIEER and EIRI are expensive.

In response to a committee member's question whether it is possible to determine the cost-benefit ratio attributable to programs administered by CYFD versus those administered by the PED, Dr. Winograd expressed some concern over separating out the factors for each program and questioned whether there are enough children who have participated in each program to make such a study meaningful.

Noting that available revenue is limited, a committee member asked Dr. Goetze if, based on available studies done in other states, she could recommend how New Mexico could best distribute those funds among the various early childhood programs. Dr. Goetze said that, although she could not recommend how the funds might be divided, she could recommend which factors to include in a study of the various programs in order to allow state policymakers to better determine the best use of resources. Dr. Winograd added that because New Mexico is the only state to offer both pre-kindergarten statewide and state-funded K-3 Plus, there are no studies elsewhere to provide any guidance.

Several committee members expressed concern that the study assumed that the same benefits would accrue to children attending New Mexico PreK programs as had been identified in other studies, such as the Chicago study. One committee member expressed disappointment that the

study had excluded Native American students, who stand to benefit from pre-kindergarten as much as if not more than other students. For this reason, the committee member said, the study may be of no use to a significant portion of the state's population. In response, Dr. Goetze said that addressing the Native American population was difficult because there are no longitudinal studies in other states to use as a model. She added that Native American students constitute part of the high-risk population in the state and, as such, are included in the study. Also addressing this point was Dr. Catherine Cross Maple, Deputy Secretary for Learning and Accountability, PED, who said that achievement scores for Native American students have been rising and that PED has worked toward the development of culturally sensitive curricula. She also said that she would advise PED's Indian Education Division to work more closely with New Mexico PreK.

In response to this same concern, Dr. Winograd stated that all OEA studies have included the Native American population and stressed the importance of placing New Mexico data into a national database for this reason. He noted that the focus on Native Americans and high poverty is crucial in New Mexico.

Several committee members noted that the requirements for teachers in PED-approved New Mexico PreK programs are higher than the requirements for teachers in CYFD-approved programs. Mr. Harris responded that the state standards require that the lead teachers in CYFD-approved programs either have a bachelor's degree or be working toward one. In response to a follow-up question, Mr. Harris stated that he did not know what percentage of those teachers already have a bachelor's degree.

A committee member asked if a teacher in a CYFD-approved program receives the same salary as a teacher in a PED-approved program, even if the teacher in the CYFD program does not have a bachelor's degree or an early childhood license. Mr. Harris stated that, although both teachers receive approximately the same rate of pay for the pre-kindergarten program, the teacher in the private program often receives a lower rate for any other services, such as child-care, that he or she provides.

In response to a committee member's question about the training that New Mexico teachers receive in pre-kindergarten education, especially as compared to that in other states, Dr. Winograd said that a number of New Mexico postsecondary institutions have strong early childhood teacher education programs.

Noting that the NIEER study had identified some pre-kindergarten programs as low quality programs, a committee member asked whether children who attend those programs would be better served by remaining at home. Dr. Winograd said that he does not believe harm is done to children who are in low quality programs as opposed to no program, adding that the state has procedures in place to assist those programs to improve.

In response to a committee member's question if there are plans to make state-funded pre-kindergarten mandatory, Dr. Cross Maple said that there are no plans to make the program mandatory but that there are plans to make it universally available statewide.

A committee member asked if private child-care programs are open for more hours during the day than public child-care programs. Mr. Harris said that, typically, private pre-kindergartens are open for more hours than public programs, adding that some private programs remain open from 7:00 a.m. to 6:00 p.m. to accommodate working parents. Mr. Harris also noted that the

services offered by private providers vary extensively and that the pre-kindergarten program occupies only a portion of the total number of hours available.

Representative Stewart requested that CYFD provide a list of all CYFD-approved New Mexico PreK programs – a list that identifies which programs have lead teachers with bachelor's degrees and that includes the percentage of lead teachers in CYFD-approved programs who have bachelor's degrees.

Representative Stewart also requested that CYFD explain how private pre-kindergarten providers expend New Mexico PreK funds, including the percentage spent on salaries and benefits by category of personnel compared with the percentage spent on those items by PED-approved pre-kindergarten programs in New Mexico.

EDUCATION PARTNERS LEGISLATIVE PACKAGE

Representative Miera introduced Mr. Charles Bowyer, Executive Director, National Education Association-New Mexico (NEA-NM); Dr. Ellen Bernstein, President, Albuquerque Teachers Federation; and Mr. Tom Sullivan, Executive Director, New Mexico Coalition of School Administrators (NMCSA), to present to the committee the legislative package of New Mexico's Education Partners, which consists of the Albuquerque Teachers Federation, NEA-NM, American Federation of Teachers (AFT), NMCSA, New Mexico Parents Teacher Association (PTA), and the New Mexico School Boards Association (NMSBA).

Mr. Sullivan thanked the committee for the investments they have made in the public education system over the past four years. He said the New Mexico Education Partners support state lawmakers' efforts to improve education and that they appreciate the support for rural school districts. He added that the education partners have found that they are in agreement far more often than disagreement.

Dr. Bernstein said that the partners' recommendations focus on the following four areas:

1. Change the Funding Formula: The funding formula study concludes that the constitutional requirement to sufficiently fund public education has not been met.
2. Prioritize Programmatic Funding for Meeting Response to Intervention (RtI) mandates: Phase-in urgently needed intervention specialists that will have the greatest positive impact on students and will address an unfunded federal mandate.
3. Provide Program Enhancements: Enhance current programs that are legislated, needed, and proven to be effective.
4. Attract and Retain Qualified Professionals: Include the funding necessary to maintain competitive salaries. This should include the goal of moving New Mexico salaries back in the top half of the salary rankings in the United States.

Dr. Bernstein called the committee's attention to a provision attached to the *Individuals with Disabilities Education Improvement Act* (IDEA), in which general education teachers must provide tiered intervention for students who are not keeping pace with their peers in the classroom. She said in theory, this policy is excellent, but in practice it is impossible because unfortunately, intervention has become another unfunded mandate. Her concern, she said, is that

the federal government is asking that this be done without resources; therefore, the state will have to cover the cost.

Mr. Bowyer said the partners also recommend that public education funding for school year 2008-2009 address the funding deficiency identified in the study of the Public School Funding Formula by the American Institutes for Research (AIR), and that current programs be adequately funded. Mr. Bowyer said that AIR found that, to correct deficiencies found in school year 2006-2007 and to maintain sufficiency of public school funding as required in the state constitution, an additional \$325.0 million would need to be phased into public education over the next three years at a cost of approximately \$108.0 million each year. Therefore, he said, the education partners are recommending a total of at least \$280.5 million in additional funding for school year 2008-2009. Mr. Bowyer stated that his handout also included a list of questions the committee might wish to consider regarding the new funding formula.

There being no questions, Representative Miera thanked the presenters.

UPDATE ON THE PUBLIC SCHOOL FUNDING FORMULA STUDY TASK FORCE

Representative Miera recognized Representative Mimi Stewart, Co-chair of the Funding Formula Study Task Force (FFSTF), to provide an update on the study. Representative Stewart introduced Mr. Robert Archuleta, Superintendent, Mesa Vista Consolidated Schools, and a member of the task force. She reported that the task force is close to concluding a three-year effort to define and support a sufficient public education. She said that, since 1974, the Public School Funding Formula (PSFF) has been amended approximately 70 different times, adding that what started as a simple formula has become quite complicated. Representative Stewart stated that it has become a constant struggle for school districts to meet the mandates that are imposed upon them by the state and the federal government.

Representative Stewart said that the last comprehensive study of the PSFF was conducted in 1995 and 1996 by Jordan and Associates, which concluded that "using standards associated with generally accepted school finance equity measures, ...the current New Mexico Public School Funding Formula is highly equitable. ...[and] exceed[s] the generally accepted standards for equity." However, recent changes in federal law, such as the *No Child Left Behind Act of 2001* (NCLB) and the *Individuals with Disabilities Education Improvement Act* (IDEA), together with education reform and changing school demographics, require a new look at the formula. Consequently, Representative Stewart said, the FFSTF selected the American Institutes for Research (AIR) to study the state's funding formula and to answer the question: "What is the cost of a sufficient K-12 educational program, and how should the state distribute these resources to meet the needs of New Mexico's diverse districts, schools, and students?" She said that the current study is overseen by a task force as specified in law and that membership reflects the diversity and particular perspectives of all segments of New Mexico's population.

In the process of determining sufficiency, Representative Stewart said that AIR conducted public engagement activities to identify goals and make recommendations; created Professional Judgment Panels (PJPs) to design programs to meet goals; created a Project Advisory Panel (PAP) to review PJP deliberations; and calculated costs of achieving sufficiency by using actual data and PAP specifications. Representative Stewart said that AIR's report provided recommendations to:

1. increase state funding to achieve sufficiency – the task force and AIR recommend that the state increase funding for public K-12 education by 14.5 percent to provide a sufficient educational program. Based on 2007-2008 dollars, that amounts to approximately \$335.0 million above the \$2.301 billion currently spent (\$2.294 billion in program cost plus \$7.0 million in emergency supplemental funding); and
2. adopt a simplified basic funding formula – the task force and AIR recommend that the state consider adopting a revised formula developed by AIR, which distributes state funds to districts and charter schools based on poverty, English language learners (ELL), special education students, student mobility, district or charter school size, and enrollment composition by grade levels (K-5, 6-8, 9-12).

Representative Stewart identified the merits of the new formula: it (1) avoids unnecessary complexity by focusing directly on the factors associated with student need and scale; (2) promotes and preserves funding equity across districts; (3) makes use of adjustment factors that are largely beyond a district's control and thus minimizes incentives to "chase the formula"; and (4) accounts for most of the adjustments in the current formula.

Regarding special education, Representative Stewart stated that AIR was asked to analyze and evaluate the adjustments for services for students with disabilities because superintendents are concerned about sufficient funding for these students. She said that, in school year 2005-2006, New Mexico had an average identification rate of 16 to 18 percent for special education students (IDEA only), which was significantly higher than the national average of 12 to 14 percent. Although rates have declined in recent years, she continued, they remain relatively high. Furthermore, the identification rates exhibit a fairly wide range across the 89 public school districts, from a low of 6.0 percent to a high of 34.8 percent.

She said that AIR recommended that special education be funded using a single, overall weight rather than three separate weights corresponding to the A, B, C and D categories. She explained that this weight takes into account three costs associated with: (1) all levels of severity; (2) ancillary services; and (3) three- and four-year-old developmentally delayed students. The new formula, Representative Stewart noted, would also set a fixed identification rate of 16 percent to determine funding for each district.

Representative Stewart said that, with the new approach for funding special education, AIR recommended creation of a contingency fund to help districts pay for the cost of educating high-cost students with disabilities, and to serve as an insurance provision to protect districts against extraordinarily high special education costs that may arise. She noted that 31 other states have established this type of fund.

Regarding funding for teachers, principals, and instructional support providers, Representative Stewart said the current funding formula uses a matrix with 25 cells to adjust the value of the pupil unit on the basis of the training and experience (T&E) of instructional personnel. She said AIR recommended that the state adopt a new Index of Staff Qualifications (ISQ) to replace the current T&E Index. She added that the ISQ is structured to reflect the realities associated with the three-tiered licensure system adopted in 2003.

Referring to growth and decline, Representative Stewart said that, over the past decade, New Mexico's student population has remained relatively constant; however, there have been shifts in the distribution of the student population. She said all four urban areas and many of

their neighboring districts have experienced neutral or positive growth while many rural or remote districts and small towns have experienced steady decline. AIR recommended funding on maximum enrollment, providing funding based on the greater of the previous year's 80/120th day average enrollment; or current year's enrollment, as determined by the 40th day count.

On phase-in and accountability of the new funding formula, Representative Stewart said that AIR recommended targeting and aligning funds with the Educational Plan for Student Success (EPSS) by (1) increasing educational expenditures over the next two to four years; (2) mandating that districts align these increases to the standards and indicators for school improvement as outlined in the EPSS; and (3) allowing districts to carry over unused funds from previous years to promote efficiency.

Representative Stewart noted that accountability would be achieved through the EPSS. She stated that adding significant amounts of funding to educational budgets requires careful planning at the state and local level, and the EPSS is an existing accountability protocol that will serve as the blueprint to guide resource allocation. Representative Stewart emphasized that PED will need to develop consistent methods to evaluate and approve these plans.

Representative Stewart reviewed additional funding sources as well as potential additional funding sources that will be considered as other options at the LESC January meeting. These included equalizing the school tax rate for oil and carbon dioxide, requiring either combined or consolidated reporting for corporate income tax, removing the local school district .5 mill levy for operating purposes from yield control limitation on property taxes; passing a constitutional amendment to change the distribution of income from the Land Grant Permanent Fund; and increasing the state share of gross receipts tax revenues.

Representative Miera recognized Mr. Archuleta. Representing the small school districts on the task force, Mr. Archuleta said that one of the major concerns small school districts face is insufficient money to support programs. He explained that, in those school districts, programs that do not directly influence adequate yearly progress (AYP) status have been reduced in schools in the Restructuring 2 stage of school improvement. He added that 21 of these small school districts have been receiving emergency supplemental funding from the state for years, a fact that was indicative of a problematic funding formula. Mr. Archuleta also said that he supported the revised method of funding special education students and the need for a more effective method for identifying students who require special education services.

Committee Discussion:

Representative Miera recognized Mr. David Rogers, representative of the Dual Language Education of New Mexico and New Mexico Association for Bilingual Education, who provided the committee with signed petitions from individuals in the bilingual education community concerning the funding in the proposed formula for bilingual education programs in New Mexico, including dual language education, maintenance bilingual education, language revitalization, and heritage language education. Mr. Rogers said that their organization will fully support the recommendations for the proposed funding formula assuming that (1) there is sufficient funding generated for all students who will choose to participate in state approved bilingual education programs; and (2) the *Bilingual Multicultural Education Act* is fully preserved, with funding that ensures full support for program implementation.

Mr. Rogers expressed concern that the funding formula study document does not refer to bilingual language learners, and he asked why there is only an English language learner multiplier. Representative Stewart responded that the task force moved away from the current formula with many factors, and that the new formula would not have specific multipliers for other disciplines such as fine arts and bilingual education. She said that the task force attempted to move away from factors and move to sufficiency so that they could continue and expand programs.

In response to a committee member's question, Dr. Gladys Herrera-Gurule, Program Manager, Bilingual and Multicultural Education Bureau, PED, said that "bilingual education" is the term used in statute and that ELL instruction is a subgroup of bilingual education.

In response to a committee member's question regarding the difference between bilingual and dual language education, Representative Mary Helen Garcia explained that the *Bilingual Multicultural Education Act* defines the bilingual program as one using two languages, including English and the home or heritage language, as a medium of instruction in the teaching and learning process. She added that dual language programs are different from ELL instruction in that they require three hours of instruction per day in the home language and three hours of instruction per day in English in the content areas of English, math, social studies, science, or fine arts.

A committee member suggested that, in light of the controversy regarding the term "ELL" in the new funding formula versus the term "bilingual" currently in statute, the new funding formula use the umbrella of "bilingual" rather than "ELL" to be consistent with statute. Representative Stewart said that the task force would consider this suggestion as the formula is refined.

In response to a committee member's question about major winners and losers under the new formula – especially in terms of rural schools versus urban schools – Representative Stewart said that the larger percentage of funds will go to school districts with higher poverty and more ELL students.

In response to a committee member's request, Representative Stewart said that the Funding Formula Study Task Force website would be updated.

In response to a committee member's question about federal Impact Aid, Representative Stewart said that the proposed formula does not change the current distribution of Impact Aid dollars. She explained that, in the current formula, the state is allowed to take credit for 75 percent of Impact Aid dollars received by eligible districts and that these districts retain the remaining 25 percent for operational or other allowable purposes.

In response to a committee member's question whether there would still be a need for emergency supplemental funds with the new formula, Representative Stewart said there are no guarantees. Representative Heaton requested that the FFSTF provide: (1) a comparison of the current Public School Funding Formula and the proposed funding formula using the FY 08 appropriated program cost; and (2) the same comparison using the appropriated program cost plus an additional \$100.0 million.

TRUANCY & DELINQUENCY NOTICES, HJM 40/SJM 36

Mr. Peter van Moorsel, LESC staff, introduced Mr. Bob Cleavall, Truancy Contractor, Public Education Department (PED). Mr. van Moorsel also acknowledged Dr. Catherine Cross Maple, Deputy Secretary, Learning and Accountability, PED, and Mr. Ron Lucero, Truancy Coordinator, PED, who were available to respond to questions.

Mr. van Moorsel began with an explanation of two identical memorials that the 2007 Legislature had passed: House Joint Memorial 40 and Senate Joint Memorial 36. These memorials requested that PED and the Children, Youth and Families Department (CYFD), in consultation with a number of other agencies, study truancy and the issues surrounding the timely notification of public and private schools when a student is the subject of a delinquency petition. In particular, the joint memorials called for:

- review of actions that school personnel may take upon receipt of a delinquency petition to assist the student and to discourage truancy;
- a comprehensive review of the intervention and enforcement provisions in both the *Compulsory School Attendance Law* and the *Children's Code*; and
- a report to the LESC of findings and recommendations for legislation to reconcile the inconsistencies in laws dealing with truancy.

Noting that the LESC has been examining the issue of truancy at least since the late 1990s, Mr. van Moorsel described the committee's involvement with the issue over the years, with particular attention to the more recent years. During the 2003 interim, for example, at the request of the LESC Chair, the LESC Director convened the statewide, broadly representative LESC Truancy Work Group to examine truancy prevention. As a result of the work group's recommendations, Mr. van Moorsel continued, LESC-endorsed legislation was enacted in 2004 to amend the *Compulsory School Attendance Law* to:

- define "truant," "habitual truant," and "unexcused absence";
- require local school boards to establish attendance and truancy policies that provide early identification of attendance problems and intervention measures to prevent truancy and that prohibit out-of-school suspension and expulsion from being used as a punishment for truancy; to report truancy rates to PED; and to require written notice to the parent, guardian, or custodian of a student who is habitually truant;
- designate the local juvenile probation office as the lead referral agency for habitual truancy;
- allow charges against a parent to be filed in magistrate court or district court; and
- provide for the suspension of a driver's license of a habitual truant by the Children's Court for up to 90 days for the first finding of habitual truancy and for up to one year for a subsequent finding.

Among the other truancy-related activities that Mr. van Moorsel reviewed were:

- an unsuccessful memorial in 2004, endorsed by the LESC, that would have requested CYFD, in collaboration with PED and the Department of Health (DOH), to study and recommend changes to the *Families in Need of Services Act* and to consider the provisions of the *Compulsory School Attendance Law* in addressing and preventing truancy;

- successful legislation in 2005 that addressed inconsistencies relating to the withdrawal of a student for school absences in two sections of the *Public School Code* by defining the term “membership” in the *Public School Finance Act* to prohibit a school district from withdrawing a student who has been identified as a truant student;
- *A Guide to Truancy Referrals*, a booklet that PED completed in the summer of 2006, intended to improve early notification and intervention in cases of truancy. Mr. van Moorsel reported, however, that it is unclear to what extent school districts utilize the guide in establishing their truancy/attendance policies; and
- unsuccessful legislation in 2007 that would have resolved certain inconsistencies in law by aligning the definition of a habitually truant student in the *Children’s Code* with the definition in the *Compulsory School Attendance Law*. These inconsistencies, Mr. van Moorsel added, could present problems in addressing a student’s truancy problem in a timely manner.

Mr. van Moorsel also discussed the truancy data that school districts report to PED. While there is some confusion over an unexcused absence of a half-day versus a full day and although there are inconsistencies in reporting by district staff and difficulties in interpreting and evaluating habitual truancy data, the data nonetheless indicate the magnitude of the truancy problem in New Mexico. For school year 2006-2007, for example, districts reported 60,183 habitually truant students, representing a statewide average of approximately 19 percent of the 120th day enrollment. Some districts, Mr. van Moorsel said, reported no habitual truants at all while others reported hundreds or thousands (more than 29,000 in Albuquerque Public Schools alone).

Regarding the funding of truancy prevention programs in New Mexico, Mr. van Moorsel reported that, since FY 05, the New Mexico Legislature has appropriated approximately \$3.0 million. Included in this total is \$1.0 million for FY 08 appropriated to PED, which the department has used for the Governor’s Truancy Prevention Program. In addition, Mr. van Moorsel said, the Legislature has funded a variety of other programs to combat the truancy problem and to improve school attendance, among them the *Family and Youth Resource Act* and ENLACE (Engaging Latino Communities for Education).

Turning to district truancy policies, Mr. van Moorsel described the requirement in the *Compulsory School Attendance Law* that each school district and charter school maintain an attendance policy. During the 2003 interim, he said, an LESC staff review of sample local school board attendance policies found inconsistencies in the definition of allowable absences, the determination of excessive or unexcused absences, notification procedures, intervention strategies to prevent truancy violations, and disciplinary action.

To determine whether these inconsistencies still existed in 2007 – and to analyze district truancy/attendance policies’ adherence to state statute and the PED’s *Guide to Truancy Referrals* – Mr. van Moorsel said that LESC staff analyzed the truancy/attendance policies of two large, two medium, and two small school districts whose dropout rates were relatively high in their respective size categories, according to the PED dropout report from school year 2005-2006. This analysis found that the six districts’ truancy/attendance policies varied in two key areas – in the way that terms were defined and in the way that the districts notify parents and take action against students in cases of truancy.

Mr. van Moorsel then focused on actions taken as a result of the two joint memorials from 2007, described above. In summer 2007, PED contracted with Mr. Cleavall to establish a work group

with membership as enumerated in the memorials. This work group formed two subgroups to review the two tasks requested by the memorials;

1. to study issues of school notification of delinquency proceedings against students; and
2. to conduct a comprehensive review of the intervention and enforcement provisions in both the *Compulsory School Attendance Law* and the *Children's Code*.

The first task requested by the memorial, Mr. van Moorsel said, is based on an unsuccessful bill from the 2007 session. As amended, this bill would have required PED and CYFD to promulgate joint rules for the development and implementation of an education and management plan for a child who poses a danger to himself or herself or to the community, and who is adjudicated as a delinquent or arrested for a crime that, upon adjudication, may make the child a youthful offender or a serious youthful offender, as defined in the *Children's Code*. Based on this bill, Mr. van Moorsel said, the work group drafted a Memorandum of Understanding (MOU) between CYFD and PED to address the issue of school notification of delinquency proceedings against students, and to outline each agency's responsibilities. The work group also drafted guidelines for the creation of an education and management plan and recommended that the MOU between PED and CYFD be finalized and distributed to the sponsoring legislators, the LESC, the Lieutenant Governor's Office, and any other appropriate party.

Mr. van Moorsel said that the subgroup charged with performing the second task requested by the memorial recommended continuing the study throughout school year 2007-2008 to retrieve more information and to allow more time for review and discussion.

As his final points, Mr. van Moorsel presented two policy options for the committee's consideration in order to reduce the prevalence of truancy in New Mexico:

1. amend the *Family Services Act* and the *Family in Need of Court-Ordered Services Act* to make the definition of a "child or family in need of family services" reflect the definition of a habitually truant student in the *Compulsory School Attendance Law* as "a family whose child has accumulated the equivalent of 10 or more unexcused absences within a school year"; and
2. to provide consistency in the reporting of school district truancy data and notification/intervention in cases of truancy:
 - require PED to assist school districts in the reporting of unexcused absences, truancy, and habitual truancy based on equivalency, not frequency (e.g., require a district to record two half-day unexcused absences as one unexcused absence, rather than two, as is the current practice); and
 - require PED to develop a plan for ensuring the consistency of district truancy policies and for verifying that the truancy/attendance policies of all school districts and charter schools adhere to state statute.

Mr. Cleavall provided more details about the work performed by the work group, noted that several members were in attendance, and distributed copies of the MOU. Extending the second task into school year 2007-2008, he said, will allow time for the Secretary of CYFD to review the statutes in more detail and for the University of New Mexico School of Law to lend some assistance researching programs in other states. Mr. Cleavall said that he expects the work group to make recommendations to the LESC in fall 2008.

Committee Discussion:

In response to a committee member's question about the involvement of ENLACE with the truancy and delinquency notices initiative, Mr. van Moorsel said that ENLACE has three pilot sites – Mesa Vista Consolidated Schools, Deming Public Schools, and Roswell Independent Schools.

In response to a committee member's question, Dr. Cross Maple said that PED does not report truancy statistics by ethnicity.

HIGH SCHOOL ASSESSMENTS: UPDATE

Ms. Pamela Herman, LESC staff, introduced Dr. Catherine Cross Maple, Deputy Secretary, Learning and Accountability, Public Education Department (PED), to present an update on high school assessments. Ms. Herman also acknowledged several other people who were available to respond to questions: Mr. Carlos Martinez, Assistant Secretary, Assessment and Accountability Division, PED; Dr. Iona Leriou, Education Administrator for the Gifted – Advanced Placement (AP) Humanities Bureau, PED; and Dr. William V. Flores, Deputy Secretary, Higher Education Department (HED).

As a follow-up to the report made at the November LESC meeting, Dr. Cross Maple reviewed the highlights of the progress report from the HED/PED P-20 Alignment Taskforce: New Mexico High School Assessment Workgroup. The purpose of the revised assessment system, she said, is to provide information to students about whether they are prepared for the Academic College Test (ACT) or Scholastic Aptitude Test (SAT) and whether they are ready for college and the workplace. Dr. Cross Maple then described the features of the proposed assessments for grades 9, 10, and 11:

- In grade 9 (high school readiness), students will take locally administered diagnostic assessments, with the 8th grade Standards Based Assessment (SBA) as a starting point, to provide tools and data for teachers to support instruction and for administrators to monitor student progress.
- In grade 10 (college readiness) students will take a 10th grade SBA developed by combining the current 9th and 11th grades SBA; however, at least for the time being, science will continue to be assessed at the 11th grade.
- In grade 11 (career readiness), students will participate in career-technical education. The assessment in grade 11 will involve a locally administered workplace portfolio to assess student readiness for postsecondary training or education and the workplace. In a standardized electronic format, this workplace portfolio will be aligned to New Mexico's Career Clusters. In addition, the grade 11 assessment will include multiple measures, and the results will focus on students, not formal federal or state accountability.

As she reviewed these features, Dr. Cross Maple also noted the anticipated costs and time frame at each grade level. Altogether, she said, PED expects a total cost of \$4.5 million to develop the assessments and align them at the secondary level with college/workplace readiness goals and postsecondary/vocational education requirements by fall 2009. She added that, if PED were

granted authority to expend the FY 08 legislative appropriation of \$1.5 million through FY 09, the department would need an additional \$3.0 million for high school assessments for FY 09.

Dr. Flores called the committee's attention to a letter from Dr. Reed Dasenbrock, Secretary of Higher Education, to Representative Rick Miera, Chair, LESC. In this letter, Secretary Dasenbrock indicated that, through its participation in the American Diploma Project, HED has confirmed that "what students should know to be ready for both college and the workplace are one and the same." Furthermore, because the ACT is an appropriate exam to measure both readiness for college and readiness for the workplace, the letter recommends requiring the ACT of all high school juniors. In some states that have done so, the letter continues, the achievement gap between whites and minorities has decreased. Dr. Flores further emphasized this point; and Dr. Cross Maple said that the taskforce is looking at "encouraging" versus "requiring" the ACT.

Committee Discussion:

In response to a committee member's question whether New Mexico college and university entrance requirements are consistent, Dr. Flores said that, at this time, examinations and cut scores vary widely throughout the state. However, through its work with chief academic officers, HED expects that, by the end of this year, all of New Mexico postsecondary institutions will have the same placement score requirements for college math and English. The ACT, he added, can serve both entrance and placement functions.

In response to other questions about the variety of assessments currently in use, Dr. Cross Maple noted the importance of linking the 10th grade SBA with the ACT, the SAT, and other assessments. Mr. Martinez added that linking the tests can show how performance on one would predict performance on the other, allowing more effective student advisement. He also noted that ACT has studied the predictability of specific coursework.

SUPERINTENDENTS AND COMMUNITY INPUT

Northern New Mexico College

Mr. Charles Lehman, Co-director of University Center, Northern New Mexico College (NNMC), spoke on the benefits of the WorkKeys assessment, as proven by its use by NNMC. He asked for the committee's support of the statewide use of WorkKeys to assist high school students to be job-ready with appropriate work skills when they graduate.

National Dance Institute of New Mexico

Ms. Cynthia Delgado, Board Chair, National Dance Institute of New Mexico (NDI-NM), presented the 2005-2007 evaluation results of NDI-NM, which had received funding by the 2007 Legislature. She said the evaluation showed that NDI-NM students experienced improved academic achievement in reading and mathematics, with positive health impacts. Ms. Delgado asked for the committee's continued support for state funding of NDI-NM.

Explora Science Center & Children's Museum

Mr. Patrick Lopez, Executive Director, Explora Science Center & Children's Museum, thanked the committee for its support and explained the outreach programs at Explora. He stated that Explora received \$100,000 in FY 07 through a contract with the New Mexico Department of Cultural Affairs and that the museum is seeking increased funding in FY 08.

Summer Literacy Camps

Dr. Amy Atkins, Educational Psychologist, Summer Literacy Camps, who was scheduled to present a proposal to address the needs of limited-English proficiency (LEP) students in New Mexico, was not in attendance.

Salazar Partnership

Mr. Bill Carson, President, Salazar Partnership, proposed that a three-year forecast, including the next budget year, be submitted each year by every school district, based on the number and grade level of students and anticipated receipts and expenses. He suggested this be done for funds distributed through the State Equalization Guarantee and all other sources. Mr. Carson's credentials and background were included in his written report.

New Mexico Coalition of School Administrators

Mr. Tom Sullivan, Executive Director, New Mexico Coalition of School Administrators (NMCSA) and New Mexico School Superintendents' Association (NMSSA), presented the superintendents' request for due process insurance coverage through the New Mexico Public School Insurance Authority (NMPSIA). In addition, he presented the results of a NMCSA survey of school districts on dual credit programs.

Regarding due process insurance, Mr. Sullivan reported that NMSSA unanimously approved the request to embed districts' due process coverage premiums in NMPSIA's base budget rather than depend on annual legislative appropriations. He said that NMSSA also requests that an agreed upon amount (currently \$1.5 million) flow through to districts from the State Equalization Guarantee and that due process claims not exceed \$150,000 per incident.

The dual credit survey, Mr. Sullivan said, shows a need for increased financial support for districts to pay for dual credit course materials and fees. He also presented information on the NMSSA legislative priorities for 2008.

With the consensus of the committee, Representative Miera recessed the LESC meeting at 6:10 p.m.

**MINUTES
LESC MEETING
FRIDAY, DECEMBER 14, 2007**

Representative Rick Miera, Chair, called the Legislative Education Study Committee (LESC) meeting to order on Friday, December 14, 2007, at 9:03 a.m., State Capitol, Room 307, Santa Fe, New Mexico.

The following LESC members were present:

Representatives Rick Miera, Chair, Roberto “Bobby” J. Gonzales, Jimmie C. Hall, and Mimi Stewart; and Senators Cynthia Nava, Vice Chair, Vernon D. Asbill, and Mary Jane M. Garcia.

The following LESC advisory members were present:

Representatives Ray Begaye, Nathan P. Cote, Nora Espinoza, Mary Helen Garcia, Thomas A. Garcia, John A. Heaton, Jim R. Trujillo, and Teresa A. Zanetti; and Senators Dianna J. Duran, Lynda M. Lovejoy, and Mary Kay Papen.

Also in attendance was Representative Andrew Barreras.

EDUCATION-RELATED ISSUES FOR THE 2008 LEGISLATIVE SESSION

Dr. Rindone directed the committee’s attention to a memorandum in the notebooks summarizing information provided by Legislative Council Service (LCS) and the chief clerks of the House of Representatives and the Senate regarding rules pertaining to early filing of LESC-endorsed bills, the prohibition against filing committee-endorsed bills in both chambers, and sponsorship of LESC bills by legislators from both chambers.

a. Endorsement of Public School Support Recommendations

Chairman Miera began the presentation by noting that, in keeping with the committee’s emphasis during the 2007 interim on an examination of existing programs, the draft LESC public school support recommendations for FY 09 did not include funding for new programs. He then asked Dr. Rindone to review those recommendations for the committee’s consideration.

Directing the committee’s attention to the table in their packets, Dr. Rindone explained that the LESC Chair and Vice Chair had worked with staff to develop the committee’s recommendations. In summarizing the proposed recommendations, Dr. Rindone reported that they total more than \$2.6 billion in public school support and in both recurring and nonrecurring related appropriations. Program cost, she noted, reflects an increase of approximately \$117.0 million, or 5.0 percent, from the FY 08 appropriation. It includes:

- approximately \$34.7 million to open the school doors in FY 09, which includes enrollment growth, fixed costs, and insurance costs;
- \$58.8 million to provide a 3.0 percent raise for all school employees (an additional \$1.4 million is included in the transportation appropriation to provide a 3.0 percent salary increase for transportation staff);

- \$15.1 million to support a 0.75 percent increase in the employer's contribution to the Educational Retirement Fund for all employees (an additional \$204,900 is included in the transportation appropriation);
- \$8.0 million to fund approximately 38,600 additional students in elementary physical education programs in kindergarten through sixth grade; and
- \$464,800 to cover assessment costs incurred by school districts, including printing, scoring, and reporting.

Dr. Rindone noted that the \$2.4 billion recommendation for the State Equalization Guarantee (SEG) distribution reflects a total of \$55.4 million in projected credits, plus an additional \$750,000 in revenue derived from driver's license fees directed to education.

With regard to categorical appropriations, Dr. Rindone stated that the recommendations include funding for public school transportation operations, supplemental distributions, the Instructional Material Fund, the Educational Technology Fund, the Indian Education Fund, the New School Development Fund, the Reading Materials Fund, the School Library Material Fund, the Schools in Need of Improvement Fund, and the Teacher Professional Development Fund, the total of which is approximately \$173.4 million.

Noting that for the committee's convenience the recurring and nonrecurring related appropriations had been grouped together in the table by topic, Dr. Rindone explained that each appropriation was marked with either an "R" for "recurring" or an "NR" for "nonrecurring." She then reviewed the approximately \$48.4 million in recurring and the approximately \$13.0 million in nonrecurring related appropriations. Among the recurring appropriations are \$10.0 million for K-3 Plus; \$9.0 million for pre-kindergarten; \$2.0 million for Beginning Teacher Mentorship; \$2.5 million for the summer reading, math, and science institutes; a total of approximately \$2.8 million for the New Mexico Cyber Academy and Innovative Digital Education and Learning in New Mexico (IDEAL-NM); \$2.7 million for operational costs incurred by the regional education cooperatives; and a total of \$19.4 million for other initiatives to promote student achievement and student health, safety, and well-being.

Dr. Rindone then noted that there are only three recommended nonrecurring appropriations: approximately \$5.7 million for assessment and test development; \$1.0 million to the State Support Reserve Fund; and \$6.3 million to provide supplemental support to school districts experiencing operational shortfalls until a new public school funding formula is adopted.

To conclude, Dr. Rindone stated that the proposed recommendations also include \$9.3 million for data processing (\$7.3 million to the Public Education Department (PED) for the Student Teacher Accountability Reporting System (STARS) and \$2.0 million to the Higher Education Department for IDEAL-NM) and \$18.5 million for the following capital outlay initiatives: \$9.0 million for the Educational Technology Deficiency Correction Fund; \$1.5 million for the Governor's Laptop Initiative; \$3.0 million for pre-kindergarten classrooms; and \$5.0 million for school-owned bus replacements.

Committee Discussion:

In response to a committee member's inquiry, Dr. Rindone stated that, with regard to the total appropriation amounts, the LESC and the Legislative Finance Committee's (LFC) have made almost identical recommendations for K-3 Plus and pre-kindergarten; however, the LFC was

recommending that \$3.0 million in Temporary Assistance for Needy Families (TANF) funds be included as part of the K-3 Plus appropriation and an additional \$2.0 million in TANF funds be included as part of the pre-kindergarten appropriation. Chairman Miera asked Mr. Paul Aguilar, Principal Analyst, LFC, how the TANF funds would be used. Mr. Aguilar explained that the funds would be used to support programs for students in poverty whose families meet the federal requirements to receive assistance from TANF programs.

Noting that fuel costs remained high, a committee member asked if Mr. Gilbert Perea, Assistant Secretary, Program Support and Student Transportation Division, PED could assure the committee that there was sufficient money in the school transportation recommendation to fund fuel costs for school buses for FY 09. Mr. Perea said that, based on the data available, he believed that there was. Mr. Aguilar concurred.

By consensus, the committee agreed to recommend that the \$1.0 million appropriation to the New School Development Fund for FY 09 be made from nonrecurring rather than recurring revenue.

Representative Stewart requested that the committee consider funding the Reading Materials Fund with capital outlay rather than recurring dollars. On a motion by Representative Miera, seconded by Representative Hall, the committee voted unanimously to increase the appropriation to the Reading Materials Fund from \$500,000 to \$1.0 million and to change the source of the funding from recurring General Fund to capital outlay.

By consensus, the committee agreed to recommend that the \$2.5 million recurring appropriation for the summer reading, math, and science institutes be directed to the Mathematics and Science Proficiency Fund.

On a motion by Senator Nava, seconded by Senator Garcia, the committee voted unanimously to increase the appropriation for the New Mexico Outdoor Classroom from \$250,000 to \$500,000.

On a motion by Senator Garcia, seconded by Representative Stewart, the committee voted unanimously to approve the public school support recommendations for FY 09 with the amendments and suggested changes made by the committee.

Senator Nava requested that PED provide the balance in the Indian Education Fund, including encumbrances.

b. Endorsement of Potential Legislation/Approval of Sponsors

Dr. Rindone directed the committee's attention to a packet of proposed legislation prepared by LESC staff in collaboration with the Legislative Council Service, based on the items requested by the committee at its November meeting. She noted that the summary of legislation was followed by copies of the draft bills. The committee considered each item on the list of proposed legislation, on the understanding that votes would not preclude non-substantive drafting changes made before the jacketed bills were provided to members for filing. The results of the committee's deliberations are noted in italics, including the names of sponsors for each bill, as follows:

DATA WAREHOUSE

1. Introduce legislation to codify the requirements for a comprehensive P-20 data warehouse (Student Teacher Accountability Reporting System, or STARS) at PED that collects, integrates, and reports data from PED, HED, and other agencies. (*Sponsor: Representative Miera*)

DUAL CREDIT

2. Amend statute relating to the student eligibility criteria in the dual credit program (1) to include students at the state-supported schools; and (2) to allow students to take classes for dual credit during the summer term. (*Sponsor: Senator Nava*)

EARLY CHILDHOOD EDUCATION

3. Send a letter to OEA requesting that the state's contract with the National Institute for Early Education Research (NIEER) require that the New Mexico PreK evaluation report include data disaggregated to permit comparisons of programs approved by PED with those approved by CYFD.

EDUCATOR QUALITY

4. Amend the Professional Development Framework to require PED, in conjunction with public school districts and charter schools, to provide an annual report to the LESC and the LFC regarding all professional development activities, regardless of funding source; and to make any changes to the system of accounting and budgeting for all public schools and school districts necessary to fulfill this requirement. (*Sponsor: Representative Miera*)
5. Introduce legislation to define the professional development dossier (PDD) as a requirement for advancement to Level 2 and to Level 3 in the three-tiered teacher licensure system and to require PED to exercise more oversight of the PDD process, including such components as the selection and training of PDD reviewers. (*Sponsor: Representative Heaton agreed to sponsor the legislation instead of Representative Stewart*)
6. Amend statute to clarify that money in the Educator Licensure Fund is subject to the annual legislative appropriation process and that the money in the fund may be used to cover costs of licensing educators, including costs associated with evaluating and processing licensing applications and PDDs, conducting background checks, and enforcing educator ethics requirements. (*Sponsor: Representative Hall*)
7. Introduce a memorial requesting that OEA, PED, and HED, in collaboration with institutions of higher education and public school districts, develop a plan to be reviewed by the LESC, to enhance the recruitment, preparation, mentoring, evaluation, professional development, and support for school principals and other school leaders in order to ensure an adequate supply of effective school leaders. (*Sponsor: Senator Kernan*)
8. Introduce a memorial requesting that OEA and PED examine issues related to turnover and emergencies resulting from shortages of counselors, nurses, and other professional instructional support personnel in public school districts and charter schools and report their

recommendations to the LESC, to ensure that students have adequate services to address their needs. (*Sponsor: Representative Cote*)

FAMILY AND YOUTH RESOURCE ACT

9. Amend the *Family and Youth Resource Act* to include a provision to enable a school that met the poverty level eligibility criteria at the time of its application and program approval by PED to continue to receive funding regardless of fluctuations in its poverty level, and appropriate additional funds to expand the program. (*Sponsor: Senator Nava*)

By consensus, the committee agreed to require that, in order to remain eligible, a school must continue to meet the poverty level requirement currently in statute based on a three-year rolling average.

LIBRARY GENERAL OBLIGATION BONDS

10. Introduce a certificate to authorize the issuance of General Obligation Bonds to PED for public school libraries and local juvenile detention facilities statewide, to HED for academic libraries, and to the Office of Cultural Affairs for New Mexico public libraries to purchase books and other materials (*requires voter approval*). (*Sponsor: Senator Papen*)

LITERACY

11. Appropriate funds to PED to support the Middle and High School Literacy Initiative created in statute in 2007 to provide scientifically based programs to improve reading proficiency of public school students in grades 6 through 12. (*Sponsor: Senator Garcia*)

NEW MEXICO HIGH SCHOOL FOR THE ARTS

12. Amend statute to authorize the creation of a state-chartered, statewide residential high school for the arts to provide intensive pre-professional and professional training for students with demonstrated artistic abilities and potential; and appropriate funds in FY 08 to support planning and start-up activities in FY 09 prior to the opening of the school. (*Sponsor: Senator Nava*)

Dr. Rindone noted that the bill, as drafted, contained an emergency clause.

P-20 INITIATIVE

13. Amend statute to require PED and HED to collaborate, in consultation with higher education and public school personnel and others, to develop a plan for improved and expanded student advisement beginning in grade 6 using the Next Step Plan process, so that all students can make informed choices about future education and careers. (*Sponsor: Senator Nava*)

By consensus, the committee agreed that the legislation should include an appropriation of \$250,000 to support the required planning.

14. Introduce legislation to require New Mexico public postsecondary institutions to report annually to New Mexico public high schools on their students regarding freshman year

outcomes, including remedial courses taken, total credits earned, grade point averages, and retention from first to second semester. (*Sponsor: Senator Nava*)

By consensus, the committee agreed that the reports should include only students who enroll within three years of graduating or leaving high school.

SPECIAL EDUCATION

15. Amend statute to define the terms “related services” and “related service [ancillary] personnel” in order to clarify which services and personnel may be counted for funding through the Public School Funding Formula by school districts and charter schools. (*Sponsor: Representative Gonzales*)

16. Introduce a memorial requesting PED to report progress to the LESC on the implementation of New Mexico’s Response to Intervention process and dual discrepancy model in grades kindergarten through 3; PED’s deadline for implementation by the public schools is July 1, 2009. (*Sponsor: Senator Nava*)

By consensus, the committee agreed to include a review of the assessments used by public school districts and charter schools to measure responses in the items requested in the memorial.

17. Amend statute relating to the placement of a student in a residential treatment center (RTC) to:

- a. define “residency” for the purposes of assigning responsibility for the provision of educational services and the costs of a student residing in an RTC;
- b. require PED to enter into agreements for the placement of a student in an RTC to ensure consistent standards and procedures statewide; and
- c. require PED to adopt a rule governing a student residing in an RTC for the purpose of allocating public school funds from a student’s home district or obtaining reimbursement from a student’s home state and for collecting reliable data into STARS.

(*Sponsor: Representative Thomas A. Garcia*)

By consensus, consideration of this item was deferred to the January meeting so that LESC staff would have an opportunity to discuss it with an attorney specializing in federal Individuals with Disabilities Education Improvement Act issue and to prepare draft legislation.

TRUANCY AND SCHOOL ATTENDANCE

18. a. Amend the *Compulsory School Attendance Law* to:

1. specify the way in which school districts must calculate unexcused absences for reporting purposes to ensure consistent reporting statewide;
2. require that PED approve school district and charter school attendance policies to ensure that the policies adhere to provisions in current law; and
3. change the definition of the term “truant” to mean a student who has accumulated five unexcused absences within a school year instead of “within any 20 day period.”

- b. To ensure consistency with the *Compulsory School Attendance Law*:
 1. amend the *Family Services Act* to specify that the term “child or family in need of family services” includes “a family whose child, subject to compulsory school attendance, has accumulated the equivalent of 10 or more unexcused absences within a school year”; and
 2. amend the *Families in Need of Court-Ordered Services Act* to specify that the term “family in need of court-ordered services” includes “a family whose child, subject to compulsory school attendance, has accumulated the equivalent of 10 or more unexcused absences within a school year.” (*Sponsor: Representative Swisstack*)

By consensus, the committee agreed to defer consideration of this item to the January meeting so that the LESC subcommittee formed by Representative Miera during the presentation on Truancy and Delinquency Notices, HJM40/SJM 36, could prepare draft legislation.

DUE PROCESS

19. Regarding due process reimbursement:

- a. repeal and reenact statute to create the Due Process Reimbursement Fund, a reverting fund to be administered by NMPSIA; to require NMPSIA to gather all claims for reimbursement of IDEA-related due process expenses incurred by member school districts and charter schools and to reimburse the members pro rata to the extent that funds are available, up to a maximum of \$150,000 per single due process reimbursement; and appropriate funds to NMPSIA for this purpose.

OR

- b. retain existing statute but set a limit of \$150,000 per single due process reimbursement.

Upon a motion by Senator Asbill, seconded by Representative Gonzales, the committee unanimously approved the selection of option 19b.

INDIAN EDUCATION

20. Introduce legislation to improve postsecondary opportunities for American Indian students; create a new division within HED; establish a non-reverting American Indian Postsecondary Education Fund; and appropriate funds from the general fund to HED.
(*Sponsor: Representative Begaye*)

REGIONAL EDUCATION COOPERATIVES

21. Amend statute to clarify that regional education cooperatives (RECs) are local educational agencies without student membership as defined in the federal *Individuals with Disabilities Education Improvement Act of 2004* in order to ensure that RECs are authorized to submit grant applications and to receive and administer federal special education funds on behalf of their member districts and state-supported schools. (*Sponsor: Senator Kernan*)

By consensus, consideration of this item was deferred to the January meeting so that LESC staff would have an opportunity to discuss it with an attorney specializing in the federal Individuals with Disabilities Education Act (1975) issue and to prepare draft legislation.

LANGUAGE IN THE *GENERAL APPROPRIATION ACT*

22. Include language in the *General Appropriation Act* stating that the funds appropriated for Advanced Placement (AP) include \$400,000 to Eastern New Mexico University to provide high-quality curricula in kindergarten through grade 6 to prepare students for pre-AP and AP in grades 7 through 12.
23. Include language in the *General Appropriation Act* to authorize that any unexpended balance from the FY 08 \$1.5 million appropriation to PED for the 11th grade exit examination remain available through FY 09.
24. Include language in the *General Appropriation Act* to require that \$1.5 million of the FY 09 appropriation for the after-school enrichment program be allocated to the 21st Century Community Learning Centers statewide that in school year 2007-2008 are in their final year of eligibility for federal funding.

PENDING JANUARY MEETING

25. Recommendations of the Funding Formula Study Task Force.

OTHER REQUESTED LEGISLATION

Senator Nava requested that language be included in the *General Appropriation Act* to authorize PED to expend funds appropriated to the Professional Development Fund for multi-year contracts.

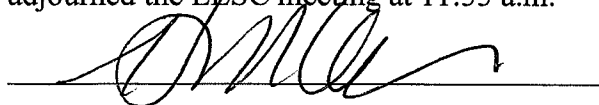
Senator Nava requested that a memorial be drafted requesting PED to study how employees of a private school bus contractor can be provided with benefits equivalent to those paid to school district employees.

Senator Nava requested that the committee consider endorsing the recommendations of the Public School Capital Outlay Oversight Task Force at the January meeting.

Upon a motion by Representative Gonzales, seconded by Representative Hall, the committee agreed by consensus to approve the potential legislation as presented, with the noted changes and deferred items.

ADJOURNMENT

There being no further business, and with the consensus of the committee, Representative Miera adjourned the LESC meeting at 11:33 a.m.



Chairperson

04/17/08

Date